

EXHIBIT 2

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	
KMART CORPORATION, et al.,)	Case No. 02-02474
)	(Jointly Administered)
Reorganized Debtors.)	Chapter 11
)	Hon. Susan Pierson Sonderby
)	

**ORDER DISALLOWING AND EXPUNGING OR
OTHERWISE REDUCING OR RECLASSIFYING CERTAIN CLAIMS
SET FORTH IN THE TWENTY-FIRST OMNIBUS OBJECTION
(CERTAIN PERSONAL INJURY AND OTHER CLAIMS)**

Upon the objection (the "Objection") under 11 U.S.C. §§ 102, 105, and 502 and Fed. R. Bankr. P. 3007 dated February 2, 2004 (the "Motion"), by Kmart Corporation and certain of its subsidiaries and affiliates, former debtors and debtors-in-possession in the above-captioned cases (collectively, "Kmart"); it appearing to the Court that (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of Kmart, their estates and their creditors; (iv) proper and adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; and (v) upon the record herein after due deliberation thereon, it is hereby

ORDERED that the relief should be granted as set forth below,

1. Pursuant to 11 U.S.C. §§ 102, 105, and 502 and Fed. R. Bankr. P. 3007, except as otherwise provided herein, each claim listed on Exhibits A and B in the row beginning "Claim to Be Disallowed" is disallowed and expunged in its entirety.

2. Pursuant to 11 U.S.C. §§ 102, 105, and 502 and Fed. R. Bankr. P. 3007, except as otherwise provided herein, each Claim listed on Exhibits C, D, E, G, and H is disallowed and expunged in its entirety.

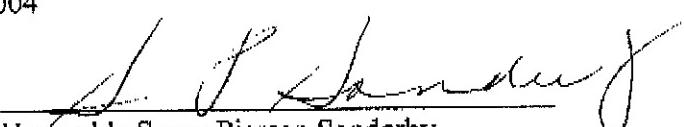
3. Pursuant to 11 U.S.C. §§ 102, 105, and 502 and Fed. R. Bankr. P. 3007, except as otherwise provided herein, each claim listed on Exhibit F in the row beginning "Claim to Be Reclassified" is reclassified and/or reduced or set, as appropriate, in accordance with the corresponding row titled "Reclassified To."

4. With respect to each claim listed on Exhibits A, B, C, D, E, F, G, and H as "Continued," consideration of the Motion with respect to such claim shall be continued until April 27, 2004.

5. This Order is without prejudice to Kmart's right to object to any other claims in these Chapter 11 cases or to further object to claims objected to herein.

6. This Court shall retain jurisdiction over Kmart and the Claimants whose Claims are subject to the Objection with respect to any matters related to or arising from implementation of this Order.

Dated: Chicago, Illinois
April 11, 2004


Honorable Susan Pierson Sonderby
UNITED STATES BANKRUPTCY JUDGE

21st Omnibus

Exhibit - F
Proposed Settlement - Public Liability

Ordered	Claim #	Name and Address of Claimant	Secured	Administrative	Priority	Unsecured	Total
Claim To Be Reclassified	16524	LOPEZ, MARY ANDREW M. KUSNIRIK, III 565 WHITE HORSE AT KITNER AVENUE HAMILTON, NJ 08610	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$150,000.00 \$0.00	\$0.00 \$20,000.00	\$150,600.00 \$20,000.00
Reclassified To		LOPEZ, RUBEN GREGORY P. SEGAL, ESQ. 315 S. BEVERLY DRIVE, STE. 307 BEVERLY HILLS, CA 90212	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$84,000.00	\$0.00 \$1,800,000.00	\$84,000.00 \$1,800,000.00
Claim To Be Reclassified	683	LOPEZ, MARRISA (MNR) 5805 KINCAID	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$500.00	\$0.00 \$500.00
Reclassified To		ROSWELL, NM 88203	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$12,000,000.00	\$0.00 \$12,000,000.00	\$0.00 \$12,000,000.00
Claim To Be Reclassified	30690	LORIE VELASCO, JOSEM. P.O. BOX 16606	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$40,000.00	\$0.00 \$40,000.00	\$0.00 \$40,000.00
Reclassified To		SAN JUAN, PR 00908	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Claim To Be Reclassified	35991	LOUD, SHARON 8404 SOUTH COURSE STREET #1106	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Reclassified To		HOUSTON, TX 77072	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$5,500.00 \$5,500.00	\$5,500.00 \$5,500.00
Claim To Be Reclassified	44938	LOUISSIANA, PIERRE DAVID M. BENEFIELD, ESQ. 5950 WEST OAKLAND PARK BLVD. SUITE 310 LAUDERHILL, FL 33313	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Claim To Be Reclassified	8305	LOURENCO, SHERRI 1876 LONGFELLOW STREET	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$20,000.00	\$0.00 \$20,000.00
Reclassified To		BALDWIN, NY 11510	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Claim To Be Reclassified	11680	LOVETTE, ELEANOR STEPHEN SININS 201 WASHINGTON STREET	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$1,000.00	\$0.00 \$1,000.00
Reclassified To		NEWARK, NJ 07102	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$1,000.00	\$0.00 \$1,000.00
Claim To Be Reclassified	16335	LOVETTE, DARIUS STEPHEN LIPSCHUTZ 1800 JOHN F. KENNEDY BLVD. 14TH FLOOR PHILADELPHIA, PA 19103	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$1,000.00	\$0.00 \$1,000.00
Reclassified To		LOWE, SUE 200 SERVICE RD.	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Claim To Be Reclassified	37182	LAUREL, MS 39442	Ordered \$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00
Reclassified To							